VZCZCXRO2603 RR RUEHCHI RUEHDT RUEHHM DE RUEHJA #2503/01 2531016 ZNR UUUUU ZZH R 101016Z SEP 07 FM AMEMBASSY JAKARTA TO RUEHC/SECSTATE WASHDC 6166 INFO RUEAWJB/DEPT OF JUSTICE WASHDC RUEATRS/DEPT OF TREASURY WASHDC RUEHZS/ASSOCIATION OF SOUTHEAST ASIAN NATIONS RUEHLMC/MILLENNIUM CHALLENGE CORP WASHINGTON DC RUCPDOC/DEPT OF COMMERCE WASHDC RUEHKO/AMEMBASSY TOKYO 0769 RUEHBJ/AMEMBASSY BEIJING 4292 RUEHBY/AMEMBASSY CANBERRA 1142 RUEHUL/AMEMBASSY SEOUL 4184 RUEAIIA/CIA WASHDC

UNCLAS SECTION 01 OF 02 JAKARTA 002503

## SIPDIS

STATE FOR U/S JEFFERY
STATE FOR EAP/MTS, EB/IFD, INL BOULDIN
DOJ FOR AAG BRUCE SWARTZ, OPDAT FOR
LEHMANN/ALEXANDRE
MCC FOR AMBASSADOR DANILOVICH AND MORFORD
DEPT PASS USTR FOR AMBASSADOR PORTMAN
TREASURY FOR IA - BAUKOL
USAID FOR ANE/AA WARD

SENSITIVE SIPDIS

AIDAC

E.O. 12958: N/A

TAGS: EAID PGOV ECON ID

SUBJECT: AMBASSADOR VISITS KEY PRESIDENTIAL INITIATIVE AND MEETS SULTAN IN YOGYAKARTA

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11. Summary: On August 28-29, Ambassador Hume visited Yogyakarta, touring schools and meeting local leaders. The Ambassador visited public and private schools that receive USAID assistance under President BushQs \$157 million Education Initiative for Indonesia. The Ambassador met with Sri Sultan Hamengkubuwono X, Governor of Yogyakarta Province, who reiterated his intention to relinquish the governorship, although the GOI has yet to determine the transition process. The Ambassador also met with local government officials in Klaten, home of the four USAID-supported schools, who expressed their appreciation for USG educational assistance. End summary.

Ambassador visits USAID-supported schools

- 12. Pesantren Sunan Pandanaran in Sleman, which has taken part in the USG-financed Islamic leadersQ exchange program, extended a warm reception to the Ambassador. Sunan Pandanaran is renowned for its strong program in memorizing the Koran. The Ambassador addressed the pesantrenQs 1,000 students, ranging in age from kindergarten through senior high school.
- ¶3. The Ambassador toured both public and private schools in Yogyakarta, learning about the differences in school curriculum and financing. He visited teachers, students, and the parentsQ committee of Public Elementary School Barenglor 2, a school that has benefited from the USAID Decentralized Basic Education (DBE) program. DBE is projected to reach at least 2,000 schools in 100 districts in 8 provinces by 2010. The Ambassador also toured private schools receiving DBE assistance, including a religiously-

affiliated elementary school and a state-run junior high madrasah, which also rely on financial and in-kind support from the community, parents, and a private foundation. The Ambassador discussed DBE curriculum selection with a student, who expressed pleasure with her ability to determine her course selection and educational material. The Ambassador noted that changes in curriculum selection over the past ten years have made the process more open and student-driven.

Schools recovering from earthquake damage

14. The Ambassador met with parentsQ committee members from DBE-supported, state-run Gondangan elementary school that was severely damaged during the 2006 earthquake. Thirteen of the USAIDQs 14 DBE-supported schools required almost total reconstruction after the earthquake. A consortium of oil companies including Chevron, ConocoPhillips, Exxon Mobil, and BP funded the reconstruction of Gondangan elementary school. The DBE program funded a temporary bamboo shelter and relocated students during the reconstruction. The parentsQ committee noted the schoolQs infrastructure problems, stating that the school would not have been rebuilt so quickly without private resources.

Local officials describe DBE as a model

15. On August 29, the Ambassador met with Klaten districtlevel officials, the Head of the District Education Office, a Regional Religious Affairs Official, and members of the provincial legislature. The officials thanked the Ambassador for U.S. Government support for local education, yet acknowledged that this assistance could not reach every school. The education official described the DBE education system as a model for all schools and stated that his

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challenge was to recreate the Qactive learningQ approach in DBE schools throughout the province.

Sultan to leave politics, transition undetermined

16. The Ambassador met with Sri Sultan Hamengkubuwono X, who also serves as Governor of Yogyakarta Province. The Sultan announced in April that he would retire in 2008 as Governor of Yogyakarta province. He told the Ambassador that he intended to step down from the governorship at the end of his term, which he stated would occur in two years. The SultanQs announced departure from political office has accelerated efforts to identify a new gubernatorial transition process. The GOI is considering three different bills outlining ways to handle elections and the SultanQs future management role in the province are currently being discussed by the GOI. It is unclear whether the Yudhoyono administration will endorse any of these bills before the Sultan departs. The Sultan stated that the governorship and the role of the Sultan should be separated, which would be a historic change. The Sultan noted the most important criteria in determining a gubernatorial candidateQs suitably was his commitment to anti-corruption reform.

Reform in process in Yogya

17. Comment: The DBE program creates classrooms that foster creativity and inspire independent thinking and curiosity in students. The DBE program is addressing GOI reform priorities and is already achieving program objectives. Politically, the SultanQs upcoming departure from the governorship potentially opens a political vacuum, but also demonstrates further Indonesian progress in democratic reform.

## AmbassadorQs Comment

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18. President BushQs Education Initiative is having a profound impact on schooling here, and it is enthusiastically supported by parents, students and teachers. From every aspect this program is a winner.

End comment.

HUME